

Latest Court Decisions

2015:

[March]

• **Indian Motorcycle Case (Injunction Case)**

Tokyo District Court 2015.3.25 H25(Wa)13862

[SUMMARY/INTRODUCTION]

According to Wikipedia, Indian Motorcycle Co, Inc. established in 1901 was the oldest and famous motorcycle corporation in USA. They shut down the factory in 1953 and dissolved in 1959.

In 1994, **Toyo Enterprise K.K.** in Tokyo (**Plaintiff**) that has no relation with the original US corporation, filed an application for the Indian MOTOCYCLE trademark (right upper) for clothing in Class 25 and registered in 2004.



Furthermore, in 2002 **K.K. Indian Motocyle Company Japan** in Tokyo (**Defendant**) that has also no relation with the US corporation, filed an application for the Indian Motocyle trademark (right lower) for motorcycles in Class 12 and registered in 2005.



The Defendant sold shirts, jackets and bottoms bearing their trademark at their shops. Then, the Plaintiff filed the injunction and damage suit against the Defendant with the Tokyo District Court.

What was the Court decision ?

[Case]

The most interested issue will be as to whether the trademark registrations by the Japanese companies with no relation to the extinct US Indian corporation are illegal or any problems under the Japanese laws.

In this respect, the Court said that such trademark registrations have no problem as the free competition because more than 30 years passed since the trademark rights in USA by the US Indian corporation were extinguished.

However, the Court dismissed the Plaintiff's petition as abuse of right because the Plaintiff's trademark registration was filed in order to obstruct the Defendant's business.

In USA, the new Indian corporation was trying to come back the old Indian corporation's business by obtaining the US registrations for the Indian trademarks. The representative of the Defendant company obtained from the new Indian corporation's related party the business rights including the trademark license in Japan and after that, the Defendant company was established.

The Defendant's Indian brands were announced by many newspapers and magazines. These facts were well known to the Japanese consumers in 1994 at the time of the Plaintiff filing their trademark application for clothing in Class 25. Therefore, the Plaintiff should know these facts as well and filed the trademark application for the purpose of obstructing the Defendant's Indian business.

In the result, the Plaintiff's petition against the Defendant should not be allowed as abuse of right as exceeding the free competition allowed by the Trademark Law and the Civil Code.